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PUBLIC SERVICE  
COMMISSION

CLINT A. WIMBERLY  
LINDA CARNES WIMBERLY

December 3, 2020

Kentucky Public Service Commission  
Public Information Officer  
P.O. Box 615  
211 Sower Boulevard  
Frankfort, Kentucky 50602-0615

Re: Application of Bluegrass Water Utility Operating Company, LLC for an  
Adjustment of Rates and Approval of Construction;  
Kentucky Public Service Commission Case No. 2020-00290


Dear Ladies and Gentlemen:

I represent Hager Rental, Incorporated, which owns property in Richmond,  
Madison County, Kentucky, which receives wastewater sewer service from the applicant  
in the above rate case.

Enclosed is a letter from my client which is requested to be filed in the case  
record as a public comment.

Thank you for your assistance in this regard. Please contact me if you need any  
additional information.

Truly yours,

  
Clint A. Wimberly

CAW

Enclosure

cc: Hon. J. Michael West  
Assistant Attorney General

Hager Rental, Incorporated  
474 Eastern Bypass  
Richmond, Kentucky 40475

December 3, 2020

Kentucky Public Service Commission  
Public Information Officer  
P.O. Box 615  
211 Sower Boulevard  
Frankfort, Kentucky 50602-0615

Re: Application of Bluegrass Water Utility Operating Company, LLC for an  
Adjustment of Rates and Approval of Construction;  
Kentucky Public Service Commission Case No. 2020-00290

Dear Ladies and Gentlemen:

I am the President of Hager Rental, Incorporated ("Hager"), the owner of 66 residential rental units located in Brocklyn Subdivision in Richmond, Madison County, Kentucky, which receive wastewater sewer service from Bluegrass Water Utility Operating Company, LLC ("Bluegrass Water"). This letter is written to make a public comment to object to the application of Bluegrass Water to increase monthly sewer rates on these properties.

Specifically, Hager is the owner of 55 multi-residential units and 11 single-residential units in Brocklyn Subdivision. Currently, Hager pays \$30.40 each per month for sewer service for the multi-residential units, and \$40.00 each per month for the single-residential units.

According to information provided to Hager by Bluegrass Water, it is seeking to increase monthly multi-residential sewer charges to \$72.11, an increase of 137.2% per month; and is seeking to increase monthly single-residential sewer charges to \$96.14, an increase of 140.4% per month.

It is Hager's position that the above requests are unfair, unjust, unreasonable, and unsupported by any legitimate increases in Bluegrass Water's expenses which would justify such rate increases.

Under its rental agreements with the tenants of its properties in Brocklyn Subdivision, Hager currently pays the monthly sewer expenses for these properties. This is largely because most of its tenants in this subdivision are longstanding tenants, and many of those tenants have modest incomes. In the event the proposed rate increases are approved, Hager will no longer be able to afford to pay the monthly sewer expenses and will be forced to pass the increased expenses on to its tenants.

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Hager currently pays \$2,112.00 for the monthly sewer bills for its properties in Brocklyn Subdivision. Under Bluegrass Water's proposed rate increase, that monthly total would rise to \$5,023.59, which constitutes an increase of approximately 138%.

Over the course of a year, the proposed rates amount to an increase of \$34,939.08 over the current sewer charges which Hager now pays on behalf of its tenants. If the rate increases are approved, Hager will have no choice but to pass the increases on to its tenants in the 66 rental units in Brocklyn Subdivision, which will cause a significant hardship for many of them.

It is the position of Hager that the requested rate increases of Bluegrass Water on Hager's properties in Brocklyn Subdivision are unreasonable and unjustified, and respectfully requests that such rate increases be denied.

Please contact me if Hager can provide any additional information that may be helpful to the Public Service Commission in evaluating this proposed rate increase.

Thank you for your assistance in this regard.

Truly yours,

Hager Rental, Incorporated

By: Linda H Pack  
Linda Hager Pack, President

cc: Hon. J. Michael West  
Assistant Attorney General  
700 Capital Avenue, Suite 20  
Frankfort, Kentucky 40601-8294